

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

SB 759 - HB 964

February 9, 2023

SUMMARY OF BILL: Authorizes domestic or foreign limited partnerships to register with the Secretary of State (SOS) for an assumed name to transact business under. Creates a \$20 application fee for the change, cancellation, or renewal of an assumed name.

FISCAL IMPACT:

Increase State Revenue – \$300/FY23-24 and Subsequent Years/Secretary of State

Assumptions:

- Tennessee Code Annotated § 61-1-1003(d) currently allows for registered limited liability partnerships to register assumed names with the SOS. The proposed legislation extends this allowance to limited partnerships.
- According to information provided by the SOS, there are approximately 535 domestic or foreign limited partnerships registered in Tennessee.
- Assuming a similar percentage of limited partnerships will apply for an assumed name each year as do limited liability partnerships, approximately three percent will choose to file an application, which would result in 16 (535 x 3%) applications.
- This is estimated to result in an increase in state revenue to the Secretary of State of \$320 (16 x \$20) in FY23-24 and subsequent years.
- Since the filing system is already in place for other registered partnerships to apply for assumed names, the proposed legislation will not require the SOS to implement any new software.
- The increase in applications as a result of the proposed legislation can be handled within existing SOS personnel and resources, without a significant increase in state expenditures.

IMPACT TO COMMERCE:

Increase Business Expenditures – \$300/FY23-24 and Subsequent Years

Assumption:

- Domestic or foreign limited liability partnerships that elect to apply for an assumed name will be subject to the \$20 application fee. With an estimated 16 partnerships applying each year, the recurring increase in business expenditures is estimated to be \$320 (16 x \$20).

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CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink that reads "Krista Lee Carsner". The signature is written in a cursive, flowing style.

Krista Lee Carsner, Executive Director

/cd